

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6923

BILL NUMBER: SB 303

NOTE PREPARED: Mar 15, 2006

BILL AMENDED: Mar 14, 2006

SUBJECT: Various Motor Vehicle Matters.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR: Rep. Duncan

BILL STATUS: Enrolled

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has several provisions regarding motor vehicles and driver's licenses.

Sunday Sales: This bill provides that the prohibition against Sunday sales of motor vehicles does not apply to an auctioneer and allows Sunday sales under certain conditions with the purchase of a \$250 event permit.

Driver's Licenses: This bill revises language pertaining to the requirements for issuance, renewal, and expiration of certain driver's licenses.

21-Year-Old Relative: The bill requires the relative or guardian accompanying a driver less than 18 years of age who holds a learner's permit must be at least 21 years of age.

Corporate Check Accepted: This bill authorizes the acceptance of a corporate check for the original or a renewal of a commercial driver training school license or instructor's license.

State Identification Cards: This bill revises language concerning the fee for issuance of state identification cards under certain circumstances. This bill also requires all license branches that provide state identification cards (rather than only full-service branches) to be open on the day before election day and on election day to issue driver's licenses and state identification cards. It corrects a cross-reference to the definition of "election day".

Cross Reference: It corrects a cross-reference to the definition of "election day".

Repeals Language: The bill repeals language: (1) requiring a holding of a public passenger chauffeur's license in order to drive certain motor vehicles; and (2) concerning the renewal of the motorcycle endorsement of a driver's license or

a motorcycle operator's license. The bill also removes obsolete language.

License Branch Operation: This bill provides that a license branch is not required to be open on election day or the day before election day to issue driver's licenses and identification cards if there are no precincts in the county in which an election is held on election day.

Time Off for Commission Employees: The bill requires the Bureau of Motor Vehicles Commission (BMVC) to designate another day as time off for an employee of the Commission who works on an election day. (Current law requires the Commission to designate another day as compensatory time off.)

Effective Date: Upon passage; January 1, 2006 (retroactive); July 1, 2006.

Explanation of State Expenditures: *21-Year-Old Relative:* This provision will have no fiscal impact.

Corporate Check Accepted: Currently, corporate checks are not considered an acceptable method of payment for this license, based to some extent on the perceived soundness, or lack thereof, of the particular business. This provision should have no fiscal impact.

State Identification Cards: This provision will increase expenditures minimally for the state License Branch Fund for the operation of the Gary license branch, the only partial-service branch which provides state identification cards.

License Branch Operation: Expenditures for the operation of particular license branches may be reduced provided that the particular license branch was to be open on election day and the day before election day and now will not be required to be open. The overall impact is expected to be minimal, given the infrequency of such occurrences. The fund affected is the state License Branch Fund, which supports the BMVC.

Background Information: Over the last three fiscal years, the BMVC has spent, on average, \$74.4 M per year for the operation of the license branches, with approximately \$57.9 M spent per year for salaries. During the last election cycle (November 2005), when very few offices were contended, the BMVC spent approximately \$78,800 in salaries to maintain certain offices. [Note: A complete list of additional payroll costs by license branch is available from the Office of Fiscal and Management Analysis.]

Time Off for Commission Employees: This provision may reduce overtime for the Commission and allow the Commission to better allocate its resources for those affected branches. The fund affected is the state License Branch Fund

Explanation of State Revenues: *Sunday Sales:* Allowing auctioneers to sell vehicles on Sunday under certain conditions with a special event permit may contribute to additional sales. The required special event permit fee is \$250, with the money deposited into the Motor Vehicle Highway Account.

Public Passenger Chauffeur's License: The bill repeals the requirement to hold a public passenger chauffeur's license in order to drive school buses. In CY 2004, there were approximately 3,800 public passenger chauffeur's licenses issued. This bill will reduce the number of these licenses issued. Revenue in CY 2004 totaled approximately \$53,000. The fee for the license is \$14, with \$2 deposited into the MVHA, which supports the BMV, \$4 deposited into the Crossroads 2000 Fund, which supports highway bonding, \$0.50 into the Motor Vehicle Technology Fund, \$1.25 into the Anti-Terrorism Fund, which supports the construction of communication towers for the Integrated Public Safety Commission, and \$6.25 into the state License Branch Fund, which supports the license branches throughout the state.

While there will be a loss of revenue from the repeal of the requirement that a school bus driver have a public passenger chauffeur's license, this will be offset by the potential increase of the issuance of commercial drivers licenses (CDLs). In order to drive a school bus, the driver must possess a CDL. The fee for a four-year CDL is \$30, \$15 of which is deposited into the MVHA, \$14.50 is deposited into the state License Branch Fund, and \$0.50 is deposited into the Motor Vehicle Technology Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: See *Explanation of State Revenues*.

State Agencies Affected: Bureau of Motor Vehicles and other recipients of MVHA distribution (State Police, Department of Transportation, State Department of Revenue).

Local Agencies Affected: Recipients of MVHA distributions.

Information Sources: Mike Barnhart, Legislative Liaison for the Bureau of Motor Vehicles, 317-233-1218; BMV data.

Fiscal Analyst: James Sperlik, 317-232-9866.